

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W. R. GRACE & CO., et al., ¹)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
		Re: Docket No. <u>6245</u> and
		9/27/04 Agenda Item # <u>5</u>

ORDER PURSUANT TO SECTIONS 105(a), 363, AND 503 OF THE BANKRUPTCY CODE AND FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019 (i) APPROVING A SETTLEMENT AGREEMENT BETWEEN THE DEBTORS AND AKZO, INC. AND (ii) AUTHORIZING THE DEBTORS TO PAY SETTLEMENT AMOUNT

Upon consideration of the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for an order, pursuant to sections 105(a), 363, and 503 the Bankruptcy Code and Bankruptcy Rule 9019, approving the Settlement and Release Agreement, dated July 28, 2004, between Grace and Akzo (the "Settlement"),

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulech West Coal Company, H-G Coal Company.

² Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Motion.

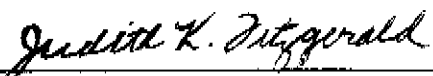
Agreement,"); and having considered the Motion and finding that the relief requested therein is in the best interest of the Debtors and their estates; and due and proper notice having been given with no other notice being required; and in light of the nature of the relief requested in the Motion, no further notice or hearing on the Motion being required; and after due deliberation and sufficient cause appearing therefore;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The Settlement Agreement is approved.
3. Pursuant to the Settlement Agreement, the Debtors are authorized and directed to pay Akzo one-million, eight-hundred thousand, US dollars (US \$ 1,800,000).
4. Pursuant to the Settlement Agreement, Akzo is directed to promptly withdraw any proof(s) of claim that it has filed against the Debtors' estates that relate to the Akzo Patent Rights.
5. Akzo releases the Debtors and their customers from any liability for infringement of the Akzo Patent Rights pursuant to the Settlement Agreement.
6. The Debtors are authorized to take any reasonable actions that are necessary to carry out the terms of the Settlement Agreement;

7. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order, which is final.

Dated: September 27, 2004



The Honorable Judith K. Fitzgerald
United States Bankruptcy Judge